

# QUEST FINANCIAL SERVICES LTD. =====

## 30TH ANNUAL REPORT

&

## ACCOUNTS 2009 - 2010

### **Board of Directors :**

MR. SATYA PRAKASH PACHISIA	Director
MR. HEMANT MARDA	Director
MR. BIJAY KUMAR AGARWAL	Director

### **Registered Office :**

454, Dum Dum Park  
Kolkata - 700 055

### **Bankers :**

IDBI BANK  
AXIS BANK  
BANK OF BARODA

### **Auditors :**

**KAPOOR MEHROTRA & ASSOCIATES**  
Chartered Accountants  
23, Ganesh Chandra Avenue  
Kolkata - 700 013

Registered Office

454, Dum Dum Park  
Kolkata - 700 055

Dated : 29th May, 2010

By Order of the Board  
QUEST FINANCIAL SERVICES LTD.

M. Bijay Kumar Agarwal  
Chairman

## **QUEST FINANCIAL SERVICES LTD.**

### **NOTICE**

Notice is hereby given that the 30th Annual General Meeting of Members of the Company will be held on Thursday, the 30th day of September, 2010 at the Registered office of the Company at 454, Dum Dum Park, Kolkata - 700 055 at 11.00 a.m. to transact the following business :

### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March 2010, the Audited Balance Sheet as on that date and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Hemant Marda who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold Office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

*Registered Office :*

454, Dum Dum Park  
Kolkata - 700 055

Dated : 29th May, 2010

By Order of the Board  
For **QUEST FINANCIAL SERVICES LTD.**

**Mr. Bijay Kumar Agarwal**  
Chairman

## QUEST FINANCIAL SERVICES LTD.

### NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY , PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. Members holding share in dematerialised form are requested to bring their Depository Account No. and Client I.D. No. for identification.
3. The Register of Members and Share Transfer Books of the Company in respect of Equity Shares shall remain closed from 23rd September, 2010 to 30th September, 2010 (both days inclusive).
4. Members are requested to notify to the Company, change of address, if any, with pin code quoting reference of their folio number / DP ID and Client ID to our Registrar & Share Transfer Agent i.e. Niche Technologies Private Ltd., D-511, Bagree Market, 71, B.R.B.B. Road, Kolkata-700 001, Phone Nos. 2235-7270/7271/3070.
5. In case, the mailing address mentioned on this Annual Report is without the PIN CODE, members are requested to kindly inform their PIN CODE immediately.
6. As per the provisions of the Companies Act, 1956, facility for making nominations is available to the members in respect of shares held by them. Members holding shares in physical form may furnish their details in the prescribed form, which can be obtained from the Company/ Registrar and Share Transfer Agent. Members holding shares in electronic form may furnish their details in the prescribed form which can be obtained from the respective depository participant.
7. Members who are holding shares in identical order or names in more than one folio are requested to send the Company / Registrar and Share Transfer Agent the details of such folios together with the Share Certificates for consolidating their holdings in one such folio.
8. Members are requested to quote their Folio number/DP ID and Client ID in all correspondence.
9. A Member or his Proxy is requested to produce at the entrance of the Meeting Hall, attendance Slip forwarded to the member duly completed and signed by the member.
10. Members are requested to note that trading in securities of the Company are compulsorily in dematerialised form only. Hence members who are yet to dematerialise their shares are advised to do so. The Company has entered into agreements with National Securities Depositories Ltd. (NSDL) and Central Depositories Services (I) Ltd. (CDSL) for Demat facilities.

*Registered Office :*

454, Dum Dum Park  
Kolkata - 700 055

Dated : 29th May, 2010

By Order of the Board  
For **QUEST FINANCIAL SERVICES LTD.**

**Mr. Bijay Kumar Agarwal**  
Chairman

**INFORMATION ON DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT  
AT THE FORTHCOMING ANNUAL GENERAL MEETING  
( PURSUANT TO CLAUSE 49 (VI) (A) OF THE LISTING AGREEMENT )**

Name of Director	Date of Birth	Date of Appointment	Expertise in Specific Functional areas	Qualifications	Directorship in other Companies	Membership of Committees in other Companies	Nature of Directorship	Remarks
Mr. Hemant Marda	16.07.1961	22.12.2004	15 Years of Working Experience in the field of Finance	B. Com (Hons)	-	-	Non-Executive independent Director	Retiring by rotation at the forthcoming Annual General meeting & offers himself for re-appointment

## QUEST FINANCIAL SERVICES LTD.

### DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 30th Annual Report of the Company together with Audited Accounts for the year ended 31st March, 2010.

### FINANCIAL RESULTS :

Rs. in Lakhs

Particulars	2009 - 10	2008 - 09
Profit/(Loss) for the year before tax	0.24	2.35
(Less) : Provision for Taxation	0.06	0.15
(Less) : Provision for Fringe Benefit Tax	0.00	0.02
Profit/(Loss) after tax	0.18	2.18
Less : Transferred to Statutory Reserve	0.05	0.00
Add : Brought forward from previous year	39.16	36.97
Balance Carried over to Balance Sheet	39.29	39.16

### DIVIDEND

In view of the inadequacy of profit, your Directors do not recommend any dividend.

### DIRECTORS

Mr. Hemant Marda, Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

### DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Board of Directors confirm.

- i. that in the preparation of the Company's Annual Accounts for the period ended March, 31, 2010, the applicable Accounting Standards have been followed and there are no material departures;
- ii. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the directors had prepared the annual accounts on a going concern basis.

### CORPORATE GOVERNANCE REPORT

Your Company has been complying with all the requirements of the code of Corporate Governance, as specified by SEBI.

A separate report on Corporate Governance is furnished as a part of the Directors' Report and the certificate from the Company Secretary in whole time practice regarding compliance of condition of Corporate Governance is annexed to the said Report.

---

---

---

## QUEST FINANCIAL SERVICES LTD.

### MANAGEMENT'S DISCUSSION AND ANALYSIS

In accordance with the listing requirement, the Management's Discussion and Analysis forms part of this Report.

### AUDITORS

M/s. Kapoor Mehrotra & Associates, Chartered Accountants of 23, Ganesh Chandra Avenue, Kolkata-700 013 retire from the office of the Auditors at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

### AUDITORS' REPORT

Auditors' Report is self explanatory and hence does not require any further explanations.

### PUBLIC DEPOSIT

The Company has neither accepted during the year nor held at the end of the year any Public Deposit.

### PRUDENTIAL NORMS FOR NBFC'S

Your Company has been complying with all the requisite norms prescribed by the Reserve Bank of India for income recognition, accounting standards, capital adequacy, credit rating, provisioning & all other requirements.

### PARTICULARS OF EMPLOYEES

The Company has no employee of the category indicated under Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended from time to time.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has no activity relating to conservation of energy and technology absorption in terms of Section 217 (1) (e) of the Companies Act, 1956. The Company has no Foreign exchange earnings and outgo during the year.

### LISTING FEES

The Company's shares are listed in the Calcutta Stock Exchange Association Ltd. and listing fee has been paid up-to-date.

### CASH FLOW STATEMENT

The Cash Flow statement for the year ended 31st March, 2010, pursuant to Clause 32 of the Listing Agreement with the Stock Exchange is annexed herewith.

### ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their deep sense of gratitude to the banks, customers and business associates for their continued co-operation and support. Your directors express their deep sense of appreciation for the total commitment, dedication and hard work put in by the employees of the Company. Lastly, your directors are deeply grateful for the confidence and faith shown by the members of the Company.

Place : Kolkata

Date : 29th May, 2010

ON BEHALF OF THE BOARD OF DIRECTORS

Mr. Bijay Kumar Agarwal  
Chairman

# **QUEST FINANCIAL SERVICES LTD.**

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **TREND & DEVELOPMENT**

The Past few years have witnessed a rapid change in the segments of Indian Securities Market. Your Company will adopt appropriate strategies to meet the evolving market developments.

### **REGULATORY**

Reserve Bank of India issued several new guidelines namely Guidelines on Fair Practice Code for NBFCs, KYC Norms. Your Company has initiated necessary steps to adhere to the aforesaid guidelines.

### **OPERATING & FINANCIAL PERFORMANCE**

During the year under review, your Company has made significant improvement in performance in terms of earning.

Company's performance during the year under review are :

- Net owned Fund of the Company increased to Rs. 1738.31 lacs as against Rs. 1738.13 lacs, last year, a growth of about 0.01%.
- Profit Before Taxes decreased to Rs. 0.24 lacs as against profit of Rs. 2.35 lacs in the last financial year.
- The net profit after taxation decreased to Rs. 0.18 lacs as against profit of Rs. 2.18 lacs in the last year.

### **DEBT STRUCTURE**

During the year, your Company has not raised any amount.

### **OUTLOOK**

Your Company continues to remain focused on its chosen market segment of trading in shares and securities. However your Company's focus will be to trade in good company shares & securities so that the delinquencies can be kept at the minimum level.

### **OPPORTUNITIES & THREATS, RISK & CONCERN**

#### **RISK MANAGEMENT**

Your Company's business is mainly exposed to Credit risk, interest rate risk, liquidity risk and operational risk. These are vigilantly monitored and managed to ensure that risk parameters remain within the limits.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Internal Control and Audit is an important procedure and the Audit committee of your Company on an ongoing basis reviews its effectiveness. The system of internal control and Audit of your Company is adequate considering the size of its business. These have been designed to ensure effective and efficient operation and compliance of applicable laws and regulations and to provide reasonable assurance that all assets are safeguarded, transactions are authorised, recorded and reported correctly.

#### **HUMAN RESOURCE DEVELOPMENT**

Employees' relations continued to be harmonious throughout the year with the management.

#### **CAUTIONARY STATEMENT**

Statement in the Management Discussion and Analysis describing company's expectations or predictions may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that would make a difference to the Company's operation include demand supply conditions, change in government regulations, tax regimes, economic development within the country and abroad and such other factors.

**CORPORATE GOVERNANCE REPORT**

**1. Brief Statement on Company's Philosophy on Code of Corporate Governance :**

Corporate Governance envisages commitment of the Company towards the attainment of high levels of transparency, accountability and equity with the ultimate objective of increasing long-term shareholders value, keeping in view the needs and interests of all other stakeholders.

Your Company also believes that good Corporate Governance makes good business sense and build up a good Corporate image. As such your Company not only complies with all requirements of Corporate Governance laid by various bodies, but follows it in spirit also.

**2. Board of Directors**

The Company's Board of Directors as on 31st March, 2010 comprises of Three Non Executive Directors including the Chairman.

Seven Meetings of the Board were held during the financial year 2009-2010 i.e. on 30/06/09, 31/07/09, 29/08/09, 31/10/09, 30/11/09, 30/01/10 and 27/02/10.

As is evident, the maximum time gap between any two Board Meetings was not more than four months.

The composition of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting and also the number of Directorship and Committee Membership /Chairmanship held by them in other Companies are given below :-

Name of Director	Category	No. of Board Meetings attended	Whether last AGM Attended	No. of other Directorship	No. of other Committee(s) Membership/ Chairmanship
Mr. Satya Prakash Pachisia	Non Executive Independent Director	7	Yes	-	-
Mr. Hemant Marda	Non Executive Independent Director	7	Yes	-	-
Mr. Bijay Kumar Agarwal	Non Executive Independent Director	7	Yes	-	-

**3. Audit Committee**

(a) Composition :

The Audit Committee comprises of three non-executive independent directors as on 31st March, 2010. The Committee met 4 (Four) times during the year i.e. on 30/06/09, 29/08/09, 30/11/09 and 27/02/09. The attendance of the members were as follows :

Sl. No.	Name	Status	No. of Meetings
1.	Mr. Satya Prakash Pachisia	Non Executive Independent Director	4
2.	Mr. Hemant Marda	Non Executive Independent Director	4
3.	Mr. Bijay Kumar Agarwal	Non Executive Independent Director	4



## QUEST FINANCIAL SERVICES LTD. =====

### b) Terms of Reference :-

The terms of reference of the Committee is in accordance with that specified in clause 49 of the Listing Agreement with Stock Exchanges and also confirms to the requirements of Section 292A of the Companies Act, 1956.

### 4. REMUNERATION COMMITTEE

#### (a) Composition of the Committee :

The Remuneration Committee of the Company comprises of three non-executive independent directors. The details are as follows:

Sl. No.	Name	Status
1.	Mr. Satya Prakash Pachisia	Non Executive Independent Director
2.	Mr. Hemant Marda	Non Executive Independent Director
3.	Mr. Bijay Kumar Agarwal	Non Executive Independent Director

During the year, no meeting of the Remuneration Committee was held.

#### (b) Terms of Reference :

The Remuneration Committee of the Company was constituted in accordance with Schedule XIII of the Companies Act, 1956 to carry out functions as envisaged under the said schedule. The Committee was constituted on 24/05/2004.

#### (c) Remuneration Policy :

The Non-Executive Independent Directors of the Company were not paid any sitting fee or any other remuneration or commission.

### 5. Share Transfer & Investors Grievance Committee

The Company has a Share Transfer and Investors Grievance Committee. The Committee consists of three Non-Executive Independent Directors. The Committee deals with matters relating to approval of Share Transfers and Transmissions, Folio Consolidation, Issue of Duplicate Share Certificates, Replacement of Share Certificates, Split and Consolidation of Certificates, Dematerialization and Rematerialization requests, monitoring of shareholder complaints /requests. The composition of the committee members is as under :-

Sl. No.	Name	Status
1.	Mr. Satya Prakash Pachisia	Non Executive Independent Director
2.	Mr. Hemant Marda	Non Executive Independent Director
3.	Mr. Bijay Kumar Agarwal	Non Executive Independent Director

During the year the Committee met 4 (Four) times during the year i.e. on 20/07/2009, 25/11/2009, 29/01/2010 and 31/03/2010.

During the year, the Company has not received any requests/complaints from its shareholders.

---

---

## QUEST FINANCIAL SERVICES LTD.

### 6. General Body Meetings :

A. Location and time for last three Annual General Meetings were:

Financial Year	Date of AGM	Venue	Time
2008-2009	23-09-2009	454, Dum Dum Park, Kolkata-700 055	11.00 A.M.
2007-2008	25-09-2008	454, Dum Dum Park, Kolkata-700 055	11.00 A.M.
2006-2007	25-09-2007	454, Dum Dum Park, Kolkata-700 055	11.00 A.M.

B. SPECIAL RESOLUTION AT THE LAST THREE ANNUAL GENERAL MEETINGS:

No Special resolution has put through by postal ballot so far by the Company.

C. WHETHER ANY SPECIAL RESOLUTION PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT

No resolution is proposed to be conducted through postal ballot in the forthcoming Annual General Meeting.

### 7. DISCLOSURES

- Related Party transactions have been disclosed under note "2" of schedule to the accounts for the year under review.
- The Company has complied with all the requirements of the listing agreement with the Stock Exchange as well as regulations and guidelines of SEBI. No penalty has been imposed or strictures have been issued by SEBI or any other Stock Exchange(s) on matters related to Capital Market so far.
- Certificate as stipulated in Clause 49 of the Listing Agreement was obtained and placed before the Board.
- The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement but has not adopted the non-mandatory requirements so far save and except the requirements under Remuneration Committee.

### 8. MEANS OF COMMUNICATIONS

Quarterly unaudited results of the Company were published in accordance with the The Calcutta Stock Exchange Association Ltd. Listing Agreement in the The Financial Express - English and Dainik Lipi -Bengali.

The quarterly and the annual results of the Company are submitted to the The Calcutta Stock Exchange Association Limited. The Annual Reports are posted to every shareholder of the Company. Management Discussion and Analysis forms part of the Annual Report.

### 9. GENERAL SHAREHOLDERS INFORMATION

- Annual General Meeting :
- Date : 30th September, 2010
- Time : 11.00 A.M.
- Venue : 454, Dum Dum Park, Kolkata - 700 055

## QUEST FINANCIAL SERVICES LTD.

### Financial Calendar :

Financial Year – 1st April, 2010 to 31st March, 2011	Relevant Dates
Board Meeting for consideration of accounts Posting of Annual Report along with notice of AGM Book Closure dates	30th June, 2010 on or before 1st September, 2010 16th September, 2010 to 23rd September, 2010 (both days inclusive)
Last date for receipt of proxy forms	21st September, 2010 (before 11.00 a.m.)
Unaudited results for the quarter ended on June 30, 2010	Last week of July, 2010
Unaudited results for the quarter ended on September 30, 2010	Last week of October, 2010
Unaudited results for the quarter ended on December 31, 2010	Last week of January, 2011
Unaudited results for the quarter ended on March, 31, 2011	Last week of April, 2011

### Listing on Stock Exchanges at :

- i. The Calcutta Stock Exchange Association Ltd. (Stock code: 10027006)  
7, Lyons Range, Kolkata - 700 001.

The Company has paid the listing fee to the The Calcutta Stock Exchange Association Ltd. for the year 2009 - 2010.

### Stock Market Price for the Financial Year 2009 - 2010 :

Month	High (Rs.)	Low (Rs.)	Volume (Rs.)
April, 2009	60.75	60.75	26500
May, 2009	60.75	60.75	4400
June, 2009	60.75	60.75	134900
July, 2009	60.75	60.75	90700
August, 2009	60.75	60.75	38000
September, 2009	60.75	60.75	86000
October, 2009	60.75	60.75	51100
November, 2009	60.75	60.75	26900
December, 2009	61.05	60.75	36400
January, 2010	61.10	61.05	84000
February, 2010	61.10	61.10	107000
March, 2010	61.10	61.10	69500

- Share Transfer System: The Company's shares are in compulsory demat mode. The shares received for transfer in physical mode are registered and returned within a period of 30 days from the date of receipt, if the documents are clear in all respects. Shares under objection are returned within two weeks. No physical shares were transferred during the year ended 31st March, 2010.
- Dedicated email ID for Investors. For the convenience of our investors, the Company has designated an exclusive email ID for investors i.e. investorsquestfinancial@yahoo.com

## QUEST FINANCIAL SERVICES LTD.

- Registrar & Share Transfer Agent :

M/s. Niche Technologies Private Ltd.  
D-511, Bagree Market, 71, B.R.B.B. Road, Kolkata 700 001  
Phone Nos. (033) 2235-7270/7271/3070.

- Dematerialisation of Shares and Liquidity :

The Company's shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depositories Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The International Securities Identification Number (ISIN) of the Company as allotted by NSDL and CDSL is INE 064D01012. Nearly 96.72% of total equity shares have been dematerialized as on 31.03.2010.

- Distribution of shareholding & shareholding pattern :

Distribution of shareholding as on 31/03/2010

Ordinary Shares held	Number of Shareholders	% of Shareholders	Number of Shares held	% of Shares held
Upto 500	388	18.60	90219	0.65
501-1000	392	18.80	319974	2.31
1001-5000	884	42.40	2461409	17.76
5001-10000	257	12.33	1906626	13.76
10001 -50000	117	5.61	2479243	17.89
50001-100000	27	1.30	1797285	12.96
100001 and above	20	0.96	4805244	34.67
<b>Total</b>	<b>2085</b>	<b>100.00</b>	<b>13860000</b>	<b>100.00</b>

- Pattern of Shareholding as on 31/03/2010

Sl. No.	Category	No. of Shares held	% of Shareholding
1	Promoters & their relatives including Associate Companies	90000	0.65
2	Financial Institutions/ Insurance Companies/ Mutual Funds & Banks	0	0.00
3	Non-Resident Indians/ Overseas Corporate Bodies	0	0.00
4	Other bodies Corporate	5938802	42.84
5	Indian public	7812324	56.37
6	Clearing Member	18874	0.14
	<b>TOTAL</b>	<b>13860000</b>	<b>100.00</b>

- Outstanding AD Rs/GDRs : Not Applicable
- Address for matters related to shares, any correspondence :

## QUEST FINANCIAL SERVICES LTD.

M/s. Niche Technologies Private Ltd.  
D-511, Bagree Market, 71, B.R.B.B. Road, Kolkata 700 001  
Phone Nos. (033) 2235-7270/7271/3070.

- Address for any kind of assistance / clarification :

M/s. Satya Prakash Pachisia, Compliance Officer  
C/o. Quest Financial Services Ltd.  
454, Dum Dum Park  
Kolkata - 700 055

### 10. CODE OF CONDUCT

The Company's Code of Conduct has been complied with by all the members of the Board and select employees of the Company.

The Company has put in place a prevention of Insider Trading Code based on SEBI (Insider Trading) Regulations, 1992. This code is applicable to all Directors and select employees. The code ensures prevention of dealing in shares by persons having access to unpublished price sensitive information.

### 11. DECLARATION

As provided under Clause 49 of the Listing Agreement with the stock exchange, the Board of Directors and select Employees have confirmed Compliance with the code of conduct.

Place : Kolkata

Date : 29th May, 2010

---

---

## QUEST FINANCIAL SERVICES LTD.

### AUDITOR'S REPORT

**TO  
THE SHAREHOLDERS OF  
QUEST FINANCIAL SERVICES LIMITED**

1. We have audited the attached Balance Sheet of M/s. **QUEST FINANCIAL SERVICES LIMITED** as at 31st March, 2010 and also the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 and 5 of the said order to the extent applicable.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :
  - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - iii) The Balance Sheet and Profit & Loss Account and Cash Flow Statement.
  - iv) Dealt with by this report are in agreement with the books of account.
  - v) In our opinion, the Balance Sheet and Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting standards referred to in section 211(3C) of the Companies Act, 1956.
  - vi) On the basis of written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - vii) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting policies and other notes there on give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India :
    - a) In so far as it relates to Balance Sheet, of the state of affairs of the company as at 31st March, 2010.
    - b) In so far as it relates to the Profit and Loss Account, of the profit of the company for the year ended on that date and
    - c) In so far as it relates to Cash Flow Statement, of the cash flows for the year ended on that date.

Place : Kolkata

Dated : 29th May, 2010

For **KAPOOR MEHROTRA & ASSOCIATES**  
Chartered Accountants

**Ajay Tibrewal**  
Partner  
M. No. 055106

## **QUEST FINANCIAL SERVICES LTD.**

### **ANNEXURE TO AUDITOR'S REPORT**

Referred to in Paragraph 3 of our report of even date

In terms of the information and explanations given to us and the Books and Records examined by us in the normal course of Audit and to the best of our knowledge and belief, we state as under :

1. The Company does not have any fixed assets.
2. In respect of its inventories:
  - a) As explained to us, the management has conducted physical verification of stock at reasonable intervals.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stock followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of stock and as reported and explained to us by the management, no material discrepancies were noticed on physical verification of stocks.
3. The Company has neither granted nor taken any loan, Secured or unsecured, granted or taken by the Company to/from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956 :
  - a. The Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. Therefore, clause 3(b) to 3 (d) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
  - b. The Company has not taken any unsecured loans from the parties covered in the register maintained under section 301 of the Act.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, and for the sale of goods and services. During the course of audit, we have not observed any major weakness in internal control system.
5. In respect on transactions covered under Section 301 of the Companies Act 1956:
  - a. In our opinion and according to the information and explanations given to us, there are no particulars of contracts or agreements that to be entered into in the register in pursuance of Section 301 of the Companies Act, 1956. Therefore, clause 5(b) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
6. The Company has not accepted any deposit from the public.
7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
8. In our opinion the companies is not a manufacturing Company. Therefore clause 4 (viii) of the Companies (Auditors' Report) Order, 2003 is not applicable to the Company.

---

---

## QUEST FINANCIAL SERVICES LTD.

9. In respect of statutory dues:
- a. According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2010 for a period of more than six months from the date of becoming payable.
10. The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. The Company had no dues to any financial institutions, banks.
12. In our opinion and according to the information and explanation given to us, the Company has not granted any loans or advance on the basis of security by way of pledge of shares, debentures or other securities.
13. In our opinion, the Company is not a chit fund or a nidhi /mutual fund/ society. Therefore, clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 is not applicable to the Company.
14. The Company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and others investment and timely entries have been made therein. All shares, debenture and other investment have been held by the Company in its own name.
15. The Company has not given any guarantees for loans taken by others from banks or financial institutions.
16. The Company has not raised any term loans during the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company we are of the opinion that no funds raised on short term basis have been used for long-term investments.
18. During the year the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not raised any money by way of debentures issued.
20. The company has not raised any money by way of public issue during the year.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

Place : Kolkata  
Date : 29th May, 2010

For **KAPOOR MEHROTRA & ASSOCIATES**  
*Chartered Accountants*  
Regd. No. : 322765E

**Ajay Tibrewal**  
Partner  
M. No. 055106



# QUEST FINANCIAL SERVICES LTD.

## BALANCE SHEET AS AT 31ST MARCH, 2010

	SCHEDULE	As on 31.03.2010	As on 31.03.2009
<b>SOURCE OF FUNDS</b>			
<b>Shareholders' Funds</b>			
a) Share Capital	1	138,600,000	138,600,000
b) Reserves and surplus	2	35,231,395	35,213,303
<b>Total</b>		<b>173,831,395</b>	<b>173,813,303</b>
<b>APPLICATION OF FUNDS</b>			
<b>Investments</b>	3	77,761,491	178,512,875
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
a) Closing Stock	4	45,426,182	45,694,858
b) Sundry Debtors	5	0	7,478,003
c) Cash & Bank Balance	6	83,858	1,932,696
d) Loans and advances	7	110,238,179	10,035,893
		<b>155,748,219</b>	<b>65,141,450</b>
<b>Less : Current Liabilities &amp; Provision</b>	8		
a) Current Liabilities		58,414,281	68,582,988
b) Provisions		1,264,034	1,258,034
		<b>59,678,315</b>	<b>69,841,022</b>
<b>Net Current Assets</b>		<b>96,069,904</b>	<b>(4,699,572)</b>
<b>Total</b>		<b>173,831,395</b>	<b>173,813,303</b>
Notes on Accounts	11		
Balance Sheet Abstract & Companies General Business Profile	12		

As per our report of even date  
For **KAPOOR MEHROTRA & ASSOCIATES**  
Chartered Accountants

**A. Tibrewal**  
Partner

Place : Kolkata

Dated : 29th May, 2010

**B. K. Agarwal**  
**Satya Prakash Pachisia**  
Directors

# QUEST FINANCIAL SERVICES LTD.

## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

SCHEDULE	For the Period 31.03.2010	For the Period 31.03.2009
<b>INCOME</b>		
Share	37,950,839	107,755,597
Difference in Shares	(1,235,226)	14,881,090
Dividend	1,080	201,929
Interest on Loan	144,655	0
Increase/(Decrease) of Stock	9 (268,676)	(84,391,897)
	<u>36,592,672</u>	<u>38,446,719</u>
<b>EXPENDITURE</b>		
Purchase	35,409,000	36,672,127
Operating, Administrative & Other Expenses	10 1,159,580	1,539,292
	<u>36,568,580</u>	<u>38,211,419</u>
Profit before Tax	24,092	235,300
<u>Provision for Income Tax</u>		
Current	(6,000)	(15,000)
Fringe Benefit Tax	0	(2,000)
Profit After Tax	18,092	218,300
Transferred to Reserve	(5000)	0
Balance brought forward	3,915,545	3,697,245
	<u>3,928,637</u>	<u>3,915,545</u>
Notes on Accounts	11	
Balance Sheet Abstract & Companies		
General Business Profile	12	

As per our report of even date  
For **KAPOOR MEHROTRA & ASSOCIATES**  
Chartered Accountants

**A. Tibrewal**  
Partner

Place : Kolkata

Dated : 29th May, 2010

**B. K. Agarwal**  
Satya Prakash Pachisia  
Directors

# QUEST FINANCIAL SERVICES LTD.

## SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	As on 31.03.2010	As on 31.03.2009
<b>SCHEDULE - 1</b>		
<b>Share Capital</b>		
<b>Authorised</b>		
1,40,00,000 Equity Share of Rs. 10/- each	140,000,000	140,000,000
<b>Issued, Subscribed and Paid-up</b>		
1,38,60,000 Equity Share of Rs. 10/- each fully paid-up in cash	138,600,000	138,600,000
	<b>138,600,000</b>	<b>138,600,000</b>
<b>SCHEDULE - 2</b>		
<b>Reserves and Surplus</b>		
Profit & Loss Account	3,928,637	3,915,545
Special Reserve Account	252,758	247,758
Securities Premium Account	31,050,000	31,050,000
	<b>35,231,395</b>	<b>35,213,303</b>
<b>SCHEDULE - 3</b>		
<b>Investments (At Cost)</b>		
<b>Name of the Company</b>		
<b>Unquoted-Equity Shares</b>		
Aarav Infotech Pvt. Ltd.	1,000,000	0
A K Power Industries Pvt. Ltd.	1,500,000	0
Ansul Motors Pvt. Ltd.	500,000	0
ARP Complex Pvt. Ltd.	320,000	0
AH Power International Pvt.Ltd.	0	2,500,000
Akash Enterprise Pvt.Ltd	0	4,500,000
Apoline Realtors Pvt. Ltd.	0	3,500,000
Arvind Inorganics Pvt.Ltd	600,000	600,000
Arvind Polypack Pvt.Ltd	300,000	300,000
Bancon Resources Pvt. Ltd.	700,000	0
Bhutnath Host Pvt.Ltd.	0	2,000,000
Brad Real Com Pvt. Ltd.	0	1,500,000
Butterfly Collection Pvt.Ltd.	0	500,000
Castle Distributors Pvt. Ltd.	4,000,000	0

## QUEST FINANCIAL SERVICES LTD.

### SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE	As on 31.03.2010	As on 31.03.2009
Capri Overseas Pvt.Ltd	0	2,000,000
Citywings Carriers & Travels Pvt.Ltd.	700,000	700,000
Darpan Multipoly Pack (India) Pvt. Ltd.	1,000,000	0
Dayanidhi Trade link Pvt.Ltd.	0	6,000,000
Deecon Real Com Pvt. Ltd.	0	300,000
Dristi Suppliers Pvt. Ltd.	0	6,400,000
East West Health & Consultancy Pvt. Ltd.	0	1,800,000
Electrolugs & Terminal Ltd.	100,000	0
Evergrow Investments Pvt. Ltd.	1,000,000	0
Fairdeal Vincom Pvt. Ltd	0	5,000,000
Gallon Distributors Pvt. Ltd.	0	1,000,000
Gangotri Dealers Pvt. Ltd.	1,200,000	9,600,000
G.B. Overseas Pvt. Ltd	0	1,500,000
Glorious Vincom Pvt. Ltd.	0	750,000
Haldia Steels Ltd.	18,500,000	0
High Growth Vincom Pvt. Ltd.	0	1,000,000
Indo Occidental Symbiosis Pvt. Ltd.	0	1,000,000
Indo Chains (Raipur) Pvt. Ltd.	800,000	0
Indo Steels Pvt. Ltd.	500,000	0
Infinity Projects Pvt. Ltd	199,375	199,375
Isha Agro Tech Pvt. Ltd	300,000	300,000
Isha Educare Pvt. Ltd.	1,000,000	0
Ispat Damodar Ltd.	11,500,000	0
Ishwar Distributors Pvt. Ltd.	0	10,225,000
Jagnath Tie - Up Pvt. Ltd.	0	10,950,000
Jagriti Commodities Pvt. Ltd.	0	5,000,000
JC Infra Corporation Pvt. Ltd.	1,000,000	1,000,000
Jhilmil Suppliers Pvt. Ltd.	0	2,700,000
JTM Exports Pvt. Ltd.	0	500,000
Karji Properties Pvt. Ltd.	1,000,000	0
Krish RealCon Pvt. Ltd.	200,000	200,000
Landscape Creations Pvt. Ltd.	0	750,000

## QUEST FINANCIAL SERVICES LTD.

### SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	As on 31.03.2010	As on 31.03.2009
Lokseva Textrade Pvt. Ltd.	0	7,131,000
Mullick Project Pvt. Ltd.	500,000	0
MKGS Trading Co. Pvt. Ltd.	1,010,616	0
Monika Builders & Fincon Pvt. Ltd.	2,500,000	0
Manik Mercantiles Pvt. Ltd.	2,100,000	0
Montrose Commodities Pvt. Ltd.	0	2,000,000
Narottamka Trading & Finvest Pvt. Ltd	0	1,000,000
Navyug Tradelink Pvt. Ltd.	1,000,000	0
Neha Projects Pvt. Ltd.	1,000,000	1,000,000
Nirwan Realtors Pvt. Ltd.	0	500,000
Northern Oil Manufacturing Pvt. Ltd.	500,000	0
NR Tie - Up Pvt. Ltd.	0	500,000
NT Marketing Pvt. Ltd.	0	2,500,000
Nupur Fiscal Services Pvt. Ltd.	200,000	1,500,000
Om Food Suppliers Pvt. Ltd.	500,000	0
Orchid Tracom Pvt. Ltd.	0	500,000
Paramsukh Nirman Pvt. Ltd	237,500	237,500
Pran Jeevan Distributors Pvt. Ltd.	0	4,600,000
Prakash Alloy Pvt. Ltd.	300,000	0
Puskar Realcon Pvt. Ltd.	0	1,250,000
Puneet Real Estate Pvt. Ltd.	200,000	0
Reward Agencies Pvt. Ltd.	0	5,000,000
RS Fuel Pvt. Ltd.	0	2,500,000
Sai Medicare Pvt. Ltd.	600,000	600,000
Sarover Dealers Pvt. Ltd.	7,374,000	15,950,000
Shipra Retailer Pvt. Ltd.	0	500,000
Shivam Vinimoy Pvt. Ltd.	0	6,500,000
Shree Shyam Fiscal Services Pvt. Ltd.	0	3,300,000
Shri Hare Krishna Sponge Iron Ltd.	500,000	500,000
Singal Tubes Co, Pvt. Ltd.	1,050,000	1,000,000
SL Trade & Finance Pvt. Ltd.	0	5,500,000
Somani Real Estate Pvt. Ltd.	0	1,500,000

## QUEST FINANCIAL SERVICES LTD.

### SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	As on 31.03.2010	As on 31.03.2009
Span Infra - Con Pvt. Ltd.	500,000	500,000
SP Real - Con Pvt. Ltd.	1,000,000	1,000,000
SRG Logistics Pvt. Ltd.	1,000,000	0
Sudarshan Yarn Pvt. Ltd.	0	2,500,000
Sumit Fiscal Services Pvt. Ltd.	300,000	0
Sumit Properties Pvt. Ltd.	100,000	0
Sunrise Trex Pvt Ltd.	0	1,500,000
Swadha Properties Pvt. Ltd.	1,000,000	0
TD Enterprises Pvt. Ltd.	1,000,000	0
Trident Goods Pvt. Ltd.	2,500,000	0
Techno Fab Manufacturing Ltd.	0	1,500,000
Tilakratan Realtor Pvt. Ltd.	0	5,000,000
Unice Imfo Solution Pvt. Ltd.	500,000	500,000
Unipon Exports Pvt. Ltd.	220,000	220,000
Unipon Hospital & Medical Science Pvt. Ltd.	300,000	0
Unipon Infrastructure & Mari Pvt. Ltd.	400,000	400,000
UniponMerchants Pvt. Ltd.	450,000	450,000
Vibrant Holidays Destination Pvt. Ltd.	0	500,000
Victoria International Pvt. Ltd.	1,000,000	0
Vidyut Merchandise Pvt. Ltd.	0	3,500,000
Vidyut Merchants Pvt.Ltd.	0	1,500,000
Vista Food Products Pvt.Ltd.	0	6,000,000
Welkin Agencies Pvt. Ltd.	0	1,100,000
Wellbuild Cement Pvt.Ltd.	0	2,500,000
	<u>77,761,491</u>	<u>178,512,875</u>

# QUEST FINANCIAL SERVICES LTD.

## SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	As on 31.03.2010	As on 31.03.2009
<b>SCHEDULE - 4</b>		
<b>Closing Stock (At Cost)</b>		
<b>Quoted - Equity Shares</b>		
Adhunik Steels Ltd.	271	0
Bajaj Hindusthan Ltd.	342,340	0
Cals Refinery Ltd.	20,500	0
HDIL	0	259,732
HOCL	0	2,459
MAYTASIN	0	35,910
PSTL	0	6,440
Trivni Eng	0	10,412
Subhkam Capital Market Ltd.	45,063,071	45,379,905
	<b>45,426,182</b>	<b>45,694,858</b>
<b>SCHEDULE - 5</b>		
<b>Sundry Debtors</b>		
Sundry debtors:(Unsecured Considered Good)		
Debts outstanding for a period exceeding six months	0	0
Other Debts	0	7,478,003
	<b>0</b>	<b>7,478,003</b>
<b>SCHEDULE - 6</b>		
<b>Cash and Bank Balances</b>		
Cash in hand(including stamps)	9,917	1,434,789
<b>Cash at Bank</b>		
With scheduled banks in current account	73,941	497,907
	<b>83,858</b>	<b>1,932,696</b>

---

---

**QUEST FINANCIAL SERVICES LTD.**

---

**SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS**

---

	As on 31.03.2010	As on 31.03.2009
<b>SCHEDULE - 7</b>		
<b>Loans and Advances</b>		
(Unsecured, Considered Goods)		
Advances Recoverable in cash or in kind or value to be received	108,814,283	8,645,000
Fringe Benefit Tax	21,935	15,133
Securities Transaction Tax	1,302,708	1,302,708
Tax Deducted at Source	99,253	73,052
	<u>110,238,179</u>	<u>10,035,893</u>
<b>SCHEDULE - 8</b>		
<b>Current Liabilities</b>		
Sundry Creditors including advances	16,677	68,582,988
Liabilities for excess cheque issued	58,397,604	0
	<u>58,414,281</u>	<u>68,582,988</u>
<b>Provisions</b>		
Tax	1,247,034	1,241,034
Fringe Benefit Tax	17,000	17,000
	<u>1,264,034</u>	<u>1,258,034</u>
<b>SCHEDULE - 9</b>		
<b>Increase /(Decrease) of Stock</b>		
Closing Stock	45,426,182	45,694,858
Less:- Opening Stock	(45,694,858)	(130086755)
Increase /(Decrease) of Stock	<u>(268,676)</u>	<u>(84,391,897)</u>



# QUEST FINANCIAL SERVICES LTD.

## SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	As on 31.03.2010	As on 31.03.2009
<b>SCHEDULE - 10</b>		
<b>Operating, Administrative &amp; Other expenses</b>		
Salary & Bonus	315,000	360,000
Staff Welfare	23,725	17,471
Printing & Stationary	8,905	0
Advertisement & Business promotion	24,277	14,117
Listing Fees	42,328	35,000
Telephone Charges	38,926	39,568
Filing Fees	2,500	10,000
Accounting Expenses	110,000	144,000
Legal and Professional Charge	85,149	0
Bank Charges	17,843	39,124
Office Maintainance Expenses	49,148	57,962
General Expenses	78,715	94,045
Security Transaction Tax	129,372	0
Auditor's remuneration		
Audit Fees	12,360	12,360
Travelling and Conveyance	32,887	34,341
Postage & Telegram	7,732	5,408
Service Tax, Stamp Charges & TOT	52,888	0
Rent	30,000	0
CDSL Charges	33,590	22,472
Demat charges	830	2,085
NSDL Charges	22,390	22,472
Miscellaneous expenses	41,015	12,919
Rates & Taxes	0	615,948
	<b>1,159,580</b>	<b>1,539,292</b>

---

---

## QUEST FINANCIAL SERVICES LTD.

### SCHEDULE - 11

#### Notes on Accounts

(Annexed to and forming part of the Balance Sheet as at 31st March 2010 and the annexed Profit & Loss account for the year ended on that date)

#### 1. SIGNIFICANT ACCOUNTING POLICIES :

a) Principles & Practice :

The Financial Statements have been prepared under the historic cost convention, in accordance with generally accepted accounting principles, following Accounting Standards and other provisions of the Companies Act, 1956 and on going concern concept.

b) System of Accounting :

Generally Mercantile System of Accounting is followed except unascertained items which have been taken on cash basis.

c) Recognition of Income & Expenses :

Items of income and expenditure are recognized on accrual basis save as above.

d) Fixed assets & Depreciation :

The company has not acquired any fixed assets during the year under review and as such depreciation has not been provided in the accounts.

e) Investment :

Securities acquired for long term holding are shown as investment. Investment in shares is stated at cost. Temporary diminution in the value of investments is not recognized.

f) Retirement Benefit :

Provision for gratuity has not been made in the Accounts as there is no such liability for the year.

g) Taxation :

Provision for taxation has been made in the accounts in order to meet the future tax liability of the Company.

h) Deferred Tax :

Deferred Tax Assets are not recognized for the year to the extent there is not sufficient assurance with respect to the reversal of the same in foreseeable future years.

#### 2. RELATED PARTY DISCLOSURE

Disclosures as required by the Accounting Standard 18 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India.

A. Relationship are given below :-

Directors (existing) :-

- 1) Mr. Satya Prakash Pachisia
- 2) Mr. Hemant Marda
- 3) Mr. Bijay Kumar Agarwal

B. Transaction with related parties	... Nil
C. Amount outstanding ( receivable ) as on 31.03.2010	... Nil
D. Amount outstanding ( payable ) as on 31.03.2010	... Nil

## QUEST FINANCIAL SERVICES LTD.

### 3. EARNING PER SHARE

	2009 - 2010	2008 - 2009
a) Calculation of weighted average no. of shares of Rs. 10/-each		
No. of shares at the beginning of the period	1,38,60,000	1,38,60,000
Shares issued during the year	Nil	Nil
No. of shares at the close of the period	1,38,60,000	1,38,60,000
Weighted average no. of equity shares during the period	1,38,60,000	1,38,60,000
b) Net Profit for the period attributable to equity Shares ( in Rupees )	18,092	2,18,000
c) Basic & Diluted earning (in Rupees) per share	0.001	0.016

### 4. DEFERRED TAX ASSETS / LIABILITIES

In accordance with AS 22 – “Accounting for Taxes on Income” as issued by the Institute of Chartered Accountants of India, the Company has not accounted for deferred tax during the year. The Company does not have any depreciable assets. So nothing is required to be reported.

### 5. CURRENT ASSETS / LIABILITIES

In the opinion of the Board, the Current Assets and Loans & Advances are approximately of the value stated in the accounts, if realized in the ordinary course of business, unless otherwise stated. The provision of all known liabilities are adequate and is not in excess of the amount considered reasonably necessary by the management.

### 6. Additional Information pursuant to the provision of Paragraph 3 of Part II of schedule VI to the Companies Act, 1956 :-

- a) Earning / outgo in foreign currency on export / import  
of goods on F.O.B basis ... Nil
- b) Quantitative information in respect of goods traded  
during the year ... Nil

## QUEST FINANCIAL SERVICES LTD.

7. As informed by the Management the payment of Gratuity Act, 1972 is not applicable to the Company as the number of staffs is less than the minimum number specified under the Act.
8. The Company is mainly in the business of Non-Banking Financial Activities, hence no segment reporting is required.
9. As required by the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 a schedule to the Balance Sheet containing additional particulars as per format prescribed by the Bank has been attached herewith.
10. Information relating to Micro and Small Enterprises (MSEs) :

(i) The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the year	
Principal	-
Interest	-
(ii) The amount of interest accrued and remaining unpaid at the end of accounting year	-
(iii) The amount of interest paid by the buyer in terms of Section 16 to the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year	-
Principal	
Interest	

The above particulars, as applicable, have been given in respect of MSEs. No party could be identified on the basis of information available with the Company and pursuant to amendment of Schedule VI to the Act vide Notification dated 16th November, 2007 issued by the Central Government

# QUEST FINANCIAL SERVICES LTD.

## SCHEDULE - 12

### BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956.

#### I) REGISTRATION DETAILS :-

i) Registration No.	:	33060
ii) State Code	:	21
iii) Balance Sheet Date	:	31.03.2010

#### II) CAPITAL RAISED DURING THE YEAR (Amount in Rs. thousand)

i) Public Issue	:	NIL
ii) Right Issue	:	NIL
iii) Bonus Issue	:	NIL
iv) Private Placement	:	NIL

#### III) POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. thousand)

i) Total Liabilities	:	173831
ii) Total Assets	:	173831

#### SOURCES OF FUNDS (Amount in Rs. thousand)

i) Paid up Capital	:	138,600
ii) Reserves & Surplus	:	35213
iii) Secured Loans	:	NIL
iv) Unsecured Loans	:	NIL

#### APPLICATION OF FUNDS (Amount in Rs. thousand)

i) Net Fixed Assets	:	NIL
ii) Investments	:	77761
iii) Net Current Assets	:	96070
iv) Miscellaneous expenditure	:	NIL
v) Deferred Tax Assets	:	NIL

#### IV) PERFORMANCE OF COMPANY (Amount in Rs. Thousand)

i) Total Income	:	36593
ii) Total expenditure	:	36569
iii) P/L before Tax	:	24
iv) P/L after Tax	:	18
v) Earnings per share in Rs.	:	0.001
vi) Dividend Rates %	:	NIL

#### V) GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY (as per monetary terms)

i) Item Code No.	:	Not Applicable
ii) Product Description	:	Not Applicable

For **KAPOOR MEHROTRA & ASSOCIATES**

Chartered Accountants

Place : Kolkata

Dated : 29th May, 2010

**A. Tibrewal**  
Partner

**B. K. Agarwal**  
**Satya Prakash Pachisia**  
Directors

## QUEST FINANCIAL SERVICES LTD.

Disclosure of details as required by Para 13 of Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 1998

Particulars	Amount Outstanding	Amount Overdue
<b>Liabilities Side</b>		
1. Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid		
a) Debentures : Secured		
Unsecured (Other than falling within the meaning of public deposits *)	-	-
b) Deferred Credits	-	-
c) Term Loans	-	-
d) Inter-corporate loans and borrowing	-	-
e) Commercial Paper	-	-
f) Other Loans (Specify Nature)	-	-

Particulars	Amount Outstanding
<b>Assets Side</b>	
2. Break up of Loans and Advances including bills receivables (Other than those included in (4) below)	
a) Secured	-
b) Unsecured	108,814,283
3. Break up of Leased Assets and Stock on Hire and other assets counting towards AFC activities	
i) Lease assets including lease rentals under sundry debtors	
a) Financial Lease	-
b) Operating Lease	-
ii) Stock on hire including hire charges under sundry debtors :	
a) Assets on hire	-
b) Repossessed Assets	-
iii) Other loans counting towards AFC activities	
a) Loans where assets have been repossessed	-
b) Loans other than (a) above	-
4. Break up of Investments Current Investments	
1. Quoted :	
(i) Shares : (a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	0
(iv) Government Securities	-
(v) Others (Please Specify)	-
2. Unquoted :	
(i) Shares : (a) Equity	77761491
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (Please Specify)	-

## QUEST FINANCIAL SERVICES LTD.

Particulars	Amount Outstanding
<b>Long term investments</b>	
<b>i. Quoted :</b>	
(i) Shares : (a) Equity	—
(b) Preference	—
(ii) Debentures and Bonds	—
(iii) Units of mutual funds	—
(iv) Government Securities	—
(v) Others (Please Specify)	—
<b>ii. Unquoted :</b>	
(i) Shares : (a) Equity	—
(b) Preference	—
(ii) Debentures and Bonds	—
(iii) Units of mutual funds	—
(iv) Government Securities	—
(v) Others (Please Specify)	—

### 5. Borrower group -wise classification of assets financed as in (2) and (3) above :

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties**			
(a) Subsidiaries	—	—	—
(b) Companies in the same group	—	—	—
(c) Other related Parties	—	—	—
2. Other than related parties	—	—	—
Total	—	—	—

### 6. Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	Market Value / Break up of Fair value or NAV	Book value (Net of Provisions)
1. Related Parties**		
(a) Subsidiaries	—	—
(b) Companies in the same group	—	—
(c) Other related Parties	—	—
2. Other than related parties	—	—
Total	—	—

### 7. Other Information :

Particulars	Amount
(i) Gross Non- Performing Assets	
(a) Related Parties	—
(b) Other than related parties	—
(ii) Net Non Performing Assets	
(a) Related Parties	—
(b) Other than related parties	—
(iii) Assets acquired in satisfaction of debt	—

## QUEST FINANCIAL SERVICES LTD.

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010 (PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT)

Particulars	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
<b>A. Cash Flow from Operating Activities</b>		
Net Profit / (Loss) before Tax and Extra ordinary items	24,092.00	235,300.00
<i>Adjustment for :</i>		
Preliminary Expenses Written Off	-	-
Interest Received	-	-
Operating Profit before working Capital Change	<u>24,092.00</u>	<u>235,300.00</u>
<i>Adjustment for :</i>		
Current Assets	(92,455,607.00)	134,604,999.00
Current Liabilities	(10,162,707.00)	23,436,939.00
Cash Flow Operation	<u>(102,618,314.00)</u>	<u>158,041,938.00</u>
Less : Provision for Taxation	(6,000.00)	(17,000.00)
Net Cash Flow from operating Activities	<u><u>(102,600,222.00)</u></u>	<u><u>158,260,238.00</u></u>
<b>B. Cash Flow from Investing Activities</b>		
Decrease / (Increase) in Investment	100,751,384.00	(158,441,875.00)
Net Cash flow from Investing Activities	<u><u>100,751,384.00</u></u>	<u><u>(158,441,875.00)</u></u>
<b>C. Cash Flow from Financing Activities</b>		
Net Increase / (Decrease) in Cash and Cash equivalent	(1,848,838.00)	(181,637.00)
Add : Opening Balance of Cash & Cash Equivalent	1,932,696.00	2,114,333.00
Closing Balance of Cash & Cash Equivalent	<u><u>83,858.00</u></u>	<u><u>1,932,696.00</u></u>

As per our report of even date  
For **KAPOOR MEHROTRA & ASSOCIATES**  
Chartered Accountants

Place : Kolkata

Dated : 29th May, 2010

**A. Tibrewal**  
Partner

**B. K. Agarwal**  
**Satya Prakash Pachisia**  
Directors



**QUEST FINANCIAL SERVICES LTD.**

**CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE  
AS STIPULATED IN CLAUSE 49 OF THE LISTING AGREEMENT**

To  
The Members of,  
Quest Financial Services Ltd.

I have examined the compliance of conditions of Corporate Governance by Quest Financial Services Ltd. for the year ended on 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange, with relevant records and documents maintained by the Company and furnished to us.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to me and the representations made by the Directors and the management, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement

We state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained and certified by the Company.

We further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata  
Dated : 29th May, 2010

For **KAPOOR MEHROTRA & ASSOCIATES**  
Chartered Accountants

**Ajay Tibrewal**  
Partner  
M. No. 055106

---

---

---

**QUEST FINANCIAL SERVICES LTD.**

**AUDITORS' CERTIFICATE**

The Board of Director,  
**QUEST FINANCIAL SERVICES LIMITED**  
454, Dum Dum Park  
Kolkata - 700 055

We have examined the attached Cash Flow Statement of **QUEST FINANCIAL SERVICES LIMITED** for the year ended 31st March, 2010. The Statement has been prepared by the Company in accordance with the requirement of Clause 32 (as amended) of listing agreement with Stock Exchange and is based on and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report dated 29th May, 2010 to the member of the Company.

Place : Kolkata

For **KAPOOR MEHROTRA & ASSOCIATES**  
*Chartered Accountants*

Dated : 29th May, 2010

**Ajay Tibrewal**  
Partner  
M. No. 055106

PROXY  
**QUEST FINANCIAL SERVICES LTD.**  
454, Dum Dum Park, Kolkata - 700 055

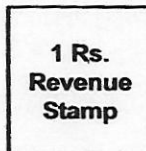
I/We \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_ being  
member / Members of **Quest Financial Services Ltd.** hereby appoint Shri \_\_\_\_\_  
\_\_\_\_\_ or failing him Shri \_\_\_\_\_  
or failing him Shri \_\_\_\_\_ as my / our proxy to vote  
for me / us and on my / our behalf at the 30th Annual General Meeting of the Company to be held on  
Thursday, the 30th September, 2010 at 11.00 a.m. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2010

Folio No. \_\_\_\_\_ / DP ID No. \* \_\_\_\_\_

& Client ID No. \_\_\_\_\_

\* Applicable for members holding shares in electronic form



**Note :** The Proxy form must be submitted so as to reach the Registered Office of the Company, not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the company.

**QUEST FINANCIAL SERVICES LTD.**  
454, Dum Dum Park, Kolkata - 700 055

**ATTENDANCE SLIP**

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 30th ANNUAL GENERAL MEETING of the Company at 454, Dum Dum Park, Kolkata - 700 055, at 11.00 a.m. on Thursday the 30th September, 2010

\_\_\_\_\_  
Full name of the Shareholder  
(in block capitals)

\_\_\_\_\_  
(Signature)

Folio No. \_\_\_\_\_ / DP ID No. \* \_\_\_\_\_ & Client ID No. \* \_\_\_\_\_

\* Applicable for members holding shares in electronic form.

\_\_\_\_\_  
Full name of the Shareholder  
(in block capitals)

\_\_\_\_\_  
(Signature)

**Note :** The Proxy form must be submitted so as to reach the Registered Office of the Company, not less than 48 hours before the time for holding the of aforesaid meeting. The Proxy need not be a member of the company.